



2008

FAIR LABOR ASSOCIATION INDEPENDENT EXTERNAL MONITORING REPORT

COMPANY: Hanesbrands, VF Corporation

COUNTRY: Thailand

FACTORY CODE: 720274878G

MONITOR: Global Standards

AUDIT DATE: July 21 – 22, 2008

PRODUCTS: Apparel

PROCESSES: Stock of Cloth, Cutting,
Sewing, Finishing

NUMBER OF WORKERS: 524



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Health and Safety: Document Maintenance/Worker Accessibility and Awareness

H&S.2 All documents required to be available to workers and management by applicable laws (such as health and safety policies, MSDS, etc.) shall be made available in the prescribed manner and in the local language or language(s) spoken by the workers if different from the local language. (P)

Noncompliance

Explanation: Incomplete material safety data sheet (MSDS) for T9 and no MSDS available in place for Oxytex no.8.

Plan Of Action: HBI auditor conducted first follow-up visit September 16, 2008. Will conduct second follow-up visit in mid-November to ensure action has been taken and facility is compliant.

Deadline Date: 11/15/2008

Supplier CAP: Prepare MSDS for T9 and Oxytex no. 8 and post MSDS on a stable board. Health and Safety internal monitoring meeting will be conducted by Safety Officer and Safety Committee once a month, to address MSDS issue.

Supplier CAP Date: 09/30/2008

Action Taken: HBI follow-up visit September 16, 2008: No MSDS posted at chemical storage and chemical usage area such as T9, Triple 1 and Oxytex no.8. HBI

Follow-up visit November 13, 2008: MSDS in Thai language completely for all chemicals used in factory, such as T9, Oxytex no. 8 and Triple 1, etc. Factory posted MSDS in chemical storage and chemical use area. Factory assigned Safety Officer to be an internal monitor on all safety issues in factory.

Plan Complete:

Plan Complete Date:

Health and Safety: Written Health and Safety Policy

H&S.3 Employers are required to develop, maintain and regularly review a written health and safety policy. The policy must, at the very least, be aimed at complying with legal minimum safety and health standards, regulations and procedures. (P)

Uncorroborated Evidence of Noncompliance

Explanation: 1. Factory did not file accident investigation report as per Professional Safety Officer responsibilities.

2. No one responsible for boiler operation, as instructed by law.

3. Of the posted health information, no safety instructions for such work has been posted nearby workstation or on notification board. There is only 1 applicable document on file, which is kept in office, which is not easily accessible to worker.

Plan Of Action: HBI auditor will conduct follow-up visit in mid-November to ensure factory has recorded accidents and remediation properly. Also, we will make sure boiler operator training certificate is ready.

Deadline Date: 12/15/2008

Supplier CAP: 1. Start to keep accident records and investigative reports as per law requirements. Also, we will continue to monitor records, keeping them filed properly.

2. Former boiler controller just resigned. Factory will have another staff member attend training, which is held by The Federation of Thailand Industries (FTI) August 25-30, 2008; then will apply certificate after training.

3. Safety instructions have been visibly posted nearby workplaces. P

Supplier CAP Date: 12/01/2008

**Action
Taken:**

HBI follow-up visit on September 16, 2008:

1. Pending: HBI Auditor will follow up to on progress in first week of November.
2. Completed: Factory assigned operator who attended boiler operator training program August 25 – 30, 2008.

Incomplete: No certificate of training provided, but should be ready on or about November 1, 2008. Boiler operator will take exam October 6, 2008, and should receive governmental license if exam is passed.

HBI follow-up visit on 13 November 13, 2008:

1. Factory started to keep accident record October 1, 2008. Accident records had been retroactively updated since June 2008. The detail of record included case analysis, investigation and remediation program.
2. Factory had assigned operator who attended boiler operator training program August 25 – 30, 2008; had already gotten approval from Industrial department (Government) to be boiler operator as required by law.

**Plan
Complete:**

**Plan
Complete
Date:**

Health and Safety: Worker Consultation

H&S.4 The health and safety policy shall be developed and implemented in consultation with workers or their representatives. (P)

Noncompliance

Explanation: Factory has training program and materials. On records, trainings conducted regularly, list and signatures of workers who attended training also kept, but workers did not really understand all training content.

Plan Of Action: HBI auditor will conduct follow-up visit in mid-November to ensure that factory has conducted regular trainings for workers. Also, we will visit factory every 6 months to ensure ongoing compliance.

Deadline Date:

Supplier CAP: Hold training again and evaluate attending workers' understanding of topics by quiz and interview.

Supplier CAP Date: 11/28/2008

Action Taken: HBI auditor will follow up on this issue the first week of November to ensure facility is satisfactorily making progress on training and will continue to follow up at each visit to facility.

HBI follow-up visit on November 13, 2008 by internal auditor: Factory set up health and safety training plan for years 2008 – 2009 including: Health and safety orientation training for new entry workers; health and safety annual training for all workers; on the job safety training for workers who work with hazardous work, such as chemical operators, boiler operators; etc.; retraining at least once a year. Set up training evaluation program to arrange for all training courses to ensure all workers clearly understand all training content.

Plan Complete:

Plan Complete Date:

Health and Safety: Health and Safety Management System

H&S.5 The health and safety policy shall contain the framework for a comprehensive health and safety management system within which employers' responsibilities and workers' rights and duties, various responsibilities of designated personnel, procedures that enable workers to raise health and safety concerns and procedures for reporting death, injury, illness and other health and safety issues (for instance, near-miss accidents) are clear and regularly tested and reviewed. (P)

Noncompliance

Explanation: Factory does not maintain proper accident records or remediation procedures.

Plan Of Action: HBI auditor will conduct follow-up visit in mid-November to ensure that factory has recorded accidents and remediation properly. Also, we will visit factory every 6 months to ensure ongoing compliance.

Deadline Date:

Supplier CAP: Start to keep accident record and investigate reports as per law requirements. Also, we will continue to monitor records, keeping them filed properly.

Supplier CAP Date: 08/30/2008

Action Taken: HBI auditor will follow up on issue first week of November.
HBI follow-up visit on 13 November, 2008: Factory began keeping accident records on October 1, 2008. And accidents retroactive effective June 2008. The detail of record included in case analysis, investigation and remediation program.

Plan Complete:

Plan Complete Date:

Health and Safety: Communication to Workers

H&S.6 The health and safety policy shall be communicated to all workers in the local language or language(s) spoken by workers if different from the local language. (P)

Noncompliance

Explanation: Burmese workers get oral training, which is interpreted by other Burmese workers who have a better understanding Thai language.

Plan Of Action: HBI auditor will conduct follow-up visit in mid-November to ensure that policy had been translated properly and that training conducted to workers regularly.

Deadline Date: 11/15/2008

Supplier CAP: Assign Burmese employees who understand Thai language to translate and write Health and Safety policy in Burmese language. Plan to start communicating to Burmese workers with Burmese language November 3, 2008.

Supplier CAP Date: 11/03/2008

Action Taken: HBI auditor will follow up on this issue the first week of November.

HBI follow-up visit on November 13, 2008: Factory had translated Health and Safety policy into Burmese language already. And they also had Health and Safety training arranged for all Burmese workers on October 25, 2008.

Plan Complete:

Plan Complete Date:

Health and Safety: Notification and Record Maintenance

H&S.7 Employers shall notify the relevant authorities of all illnesses and accidents as required by applicable laws. All illness, safety and accident reports shall be maintained on site for at least one year, or longer if required by law. (P)

Noncompliance

Explanation: Factory does not maintain accident record.

Plan Of Action: HBI auditor will conduct follow-up visit in mid-November to ensure that factory has recorded accidents and remediation properly. Also, we will visit factory every 6 months to ensure its ongoing compliance.

Deadline Date:

Supplier CAP: Start to keep accident record and investigate reports as per law requirements. Also, we will continue to monitor records, keeping them filed properly.

Supplier CAP Date: 08/30/2008

Action Taken: HBI auditor will follow up on this issue the first week of November.
HBI follow-up visit on 13 November 13, 2008 by internal auditor: Factory had begun keeping accident records, effective from October 1, 2008. Accident records had been retroactively updated since June 2008. Detail of records included case analysis, investigation and remediation program.

Plan Complete:

Plan Complete Date:

Health and Safety: Permits and Certificates

H&S.8 The employer shall at all times be in possession of all legally required and valid permits and certificates related to health and safety issues, such as those related to the purchase and storage of chemicals, fire safety inspections, inspection of machinery, and (chemical) waste disposal. (P)

Noncompliance

Explanation: 1. No one was responsible for boiler operation, as stipulated by the law.

2. No accident investigation report according to Professional Safety Officer responsibilities as per law.

3. Factory has not trained minimum of 40% of workforce in basic fire fighting of each section according to law. Moreover, safety officer could not show proof of compliance.

4. No license of hazardous waste disposal.

Plan Of Action: HBI auditor conducted first follow-up visit on September 16, 2008. Will conduct second follow-up visit in mid-November to ensure facility compliance and/or that they are making satisfactory progress on correcting the issue.

Deadline Date:

Supplier CAP:

1. Former boiler controller just resigned. Factory will have another staff member to attend training which is held by The Federation of Thailand Industries (FTI) August 25 – 30, 2008; then employee will apply for certificate after training.
2. Starting to keep accident records and investigate report, as per legal requirements. Also, we will continue to ensure that records are filed properly.
3. Records of fire drills before 2006 lost by former safety officer. There is no proof of training for 40% of workers. We restarted our records in 2006 in order to conform to safety requirements.
4. Study criteria of how to apply this license from Department of Industrial Works (DIW). Will apply license if government recommends.

Supplier CAP 12/31/2008
Date:

**Action
Taken:**

HBI follow-up visit September 16, 2008:

1. Completed. Factory has assigned boiler operator, who attended boiler operator training program August 25 – 30, 2008. However, certificate of training will not be issued until November and boiler operator license will not be ready until December, upon passing exam.
2. HBI auditor will follow up on this issue next visit in first week of November. Will update this issue then.
3. Fire drill done September 12 – 13, 2008, but no objective evidence to ensure that 40% of workforce achieved basic fire fighting training as required by law. Factory committed to have 40% employees by end of December. Will follow up remaining % at next visit in November.
4. License showing appropriate disposal of hazardous waste not available at follow-up visit, as factory application being processed. They expect to have license by end of October.

HBI performed follow-up visit on November 13, 2008:

1. Factory had assigned operator who attended boiler operator training program August 25 – 30, 2008. They had already gotten approval from Industrial department (Government) to be boiler operator as required by law.
2. Complete. Factory had started to keep accident record on October 1, 2008. Accident records had been retroactively updated since June 08. The detail of records included case analysis, investigation and remediation program.
3. Incomplete Action. Factory had conducted fire drills training 2 times in 2008, on September 12, 2008 and November 8, 2008. Until now they have 171 workers, or 34% of total workers, to attend fire drill training program. However, they will have a plan to conduct another training November 22, 2008 and around 60 workers will attend this training. Then, it will have 231 workers, or 46% of total workers, attend fire drill training program.
4. Incomplete. Factory had process to apply for this license from Department of Industrial Works. License will be available on November 25, 2008.

**Plan
Complete:**

**Plan
Complete
Date:**

Health and Safety: Evacuation Requirements and Procedure

H&S.9 All applicable legally required or recommended elements of safe evacuation (such as posting of evacuation plans, the installation and maintenance of an employee alarm and emergency lighting systems, ensuring aisles/exits are not blocked and that workers are not blocked within their workstations, employee education, evacuation procedures, etc.) shall be complied with. Workers shall be trained in evacuation procedures. Alarm systems shall be regularly tested and evacuation drills shall be undertaken at least annually. (S)

Noncompliance

Explanation: 1. Factory has not trained minimum of 40% of workforce in basic fire fighting of each section according to law.

2. Many workstations are overcrowded, without access aisles or with stools/product trolleys blocking exit aisles.

Plan Of Action: HBI auditor conducted first follow-up visit on September 16, 2008. Will conduct second follow-up visit in mid-November to ensure fire fighting is done according to factory's advised schedule. Then, we will perform regular visit every next 3 months (estimated in March) to ensure this task has been done.

Deadline Date: 03/31/2008

Supplier CAP: 1. Records of fire drill before 2006 lost by former safety officer, There is no proof of training for 40% of workers. We restart to keep this record since 2006 and onward in order to conform to safety requirement.

2. Always keep aisles and exit path unobstructed and easily accessed; enlarge path in production line and remove obstruction away from line.

Supplier CAP Date: 12/31/2008

**Action
Taken:**

HBI follow-up visit September 16, 2008:

1. Fire drill was done on September 12 – 13, 2008, but there was no objective evidence to ensure that 40% of workforce achieved basic fire fighting training as law requires.
2. Complete. Production area was clean, neat and tidy.

HBI follow-up visit on November 13, 2008:

1. Incomplete. Factory conducted fire drills training 2 times in 2008, on September 12, 2008 and 8 November 8, 2008. Right now they have 171 workers, or 34% of total workers, attending fire drill training program. However, they plan to conduct another training November 22, 2008, and around 60 workers will attend this training. So, after they succeed training project, they will have 231 workers, or 46% of total workers, to attend fire drill training program.
2. Complete. Production area was clean, neat and tidy at date of our visit.

**Plan
Complete:**

**Plan
Complete
Date:**

Health and Safety: Safety Equipment and First Aid Training

H&S.10 All safety and medical equipment (such as fire fighting equipment, first aid kits, etc.) shall be available in sufficient numbers throughout the factory, maintained and stocked as prescribed and easily accessible to workers. A sufficient number of workers shall be trained in first aid and fire fighting techniques. (S)

Uncorroborated Evidence of Noncompliance

Explanation: 1. Factory doesn't comply with building law in terms of fire prevention. There should be a fire hose reel and connector for fire hose reel to provide faster and easier access for fire authority to work. However, overall performance/measures taken are acceptable, because they can contact fire authority for further advice, which is only 500 meters away.

2. Factory has not trained minimum percentage of (40%) workforce in basic fire fighting of each section according to law.

Plan Of Action: HBI will clarify point with monitor and determine whether current situation (without fire hose reel) is satisfied. HBI auditor conducted first follow-up visit on September 16, 2008. Will conduct second follow-up visit in mid-November to ensure fire safety training is done per factory advised schedule. Then, we will perform regular visit every 3 months (estimated in March) to ensure this task is done.

Deadline Date: 03/31/2008

Supplier CAP: 1. Factory does not agree with this issue as auditor mentioned it seems not to be the issue, as fire department is 500 meters away from plant.

2. Record of fire drills before 2006 was lost by former safety officer. There is no proof of training for 40% of workers. We have restarted record keeping since 2006 in order to conform to safety requirement.

Supplier CAP Date: 12/31/2008

Action Taken: HBI will clarify noncompliance issue regarding fire hose reel with FLA as given comment from auditor is confusing.

HBI follow-up visit September 16, 2008: Incomplete. Fire drill done September 12 – 13, 2008, but there was no objective evidence to ensure that 40% of workforce achieved the basic fire fighting training as required by law.

HBI follow-up visit on November 13, 2008 by internal auditor: Factory had conducted fire drills training 2 times in years 2008 on September 12, 2008, and November 8, 2008. Until now they have 171 workers, or 34% of total workers, to attend fire drill training program. However, they will plan to conduct another training on November 22, 2008, and around 60 workers will attend this training. Then, it will have 231 workers, or 46% of total workers, to attend fire drill training program.

Plan Complete:

Plan Complete Date:

Health and Safety: Personal Protective Equipment

H&S.11 Workers shall be provided with effective and all necessary personal protective equipment (such as gloves, eye protection, hearing protection, respiratory protection, etc.) to prevent unsafe exposure (such as inhalation or contact with solvent vapors, noise, dust, etc.) to health and safety hazards, including medical waste. (S)

Noncompliance

Explanation: 1. Cartridge of face mask used in spot cleaning section not appropriate for type of chemical (it contains dichloro-fluoroethane) and Pyroxylic spirit).

2. Workers are not safely using chemicals with PPE in place.

Plan Of Action: HBI auditor conducted first follow-up visit on September 16, 2008, to ensure compliance.

1. Prepare warning sign to remind of proper usage of facial masks; retrain workers to strictly follow H&S work instructions and consistently use protective equipment.

2. Provide adequate and appropriate protective equipment which will be complete on September 15 – 19, 2008.

Deadline Date: 09/30/2008

Supplier CAP: 1. Prepare warning sign to remind of proper usage of face mask. Retrain workers to strictly follow H&S work instructions and consistently use protective equipment.

2. Provide adequate and appropriate protective equipment, which will be complete September 15 – 19, 2008.

Supplier CAP Date: 09/30/2008

Action Taken: HBI follow-up visit September 16, 2008: Provided chemical protection masks to chemical operators and observed they were using PPE during work.

HBI follow-up visit on November 13, 2008: Provided chemical protection masks to chemical operators and observed that they were in using those masks during work.

Plan Complete:

Plan
Complete
Date:

Health and Safety: Material Safety Data Sheets/Worker Access and Awareness

H&S.14 Material Safety Data Sheets (MSDS) for all chemicals used in the factory must be available at the usage and storage sites of the chemicals, in the local language and the language(s) spoken by workers, if different from the local language. Workers shall have free access to MSDS. (P)

Noncompliance

Explanation: Incomplete MSDS for T9 and no MSDS available in place for Oxytex no.8.

Plan Of Action: HBI will ensure that: Factory prepares MSDS completely for T9 and Oxytex no. 8 and posts MSDS on stable board. Health and Safety internal monitoring meetings conducted by safety officer and safety committee once a month, to address MSDS issue. HBI auditor conducted first follow-up visit September 16, 2008. Will conduct second follow-up visit in mid-November to ensure the facility is compliant.

Deadline Date: 11/30/2008

Supplier CAP: Prepare MSDS completely for T9 and Oxytex no. 8 and post MSDS on stable board. Health and Safety internal monitoring meeting were conducted by safety officer and safety committee once a month, to address MSDS issue.

Supplier CAP Date: 09/30/2008

Action Taken: HBI follow-up visit September 16, 2008:
No MSDS posted in chemical storage and chemical usage areas for T9, Triple 1 and Oxytex no.8.

HBI follow-up visit November 13, 2008 by internal auditor: There was MSDS in Thai language for all chemicals used in factory such as T9, Oxytex no. 8 and Triple 1, etc. The factory posted MSDS in chemical storage and chemical usage areas. Factory assigned safety officer to monitor all safety issues in factory.

Plan
Complete:

Plan
Complete
Date:

Health and Safety: Ventilation/Electrical/Facility Installation and Maintenance

H&S.17 All necessary ventilation, plumbing, electrical, noise and lighting services shall be installed and maintained to conform to applicable laws and in such a manner as to prevent or minimize hazardous conditions to workers in the facility. (S)

Noncompliance

Explanation: Workers in spot cleaning have local ventilation, which means there is a risk of exposure for workers in immediate area.

Plan Of Action: HBI will ensure factory:

1. Sets ventilator machine so that it properly works; instructs workers to use this machine at time of using chemicals.
2. Conduct "chemical safety training" once a year to all employees and include it as part of orientation training to new joiners. Safety monitoring committee met at least once a month to go through this issue. HBI auditor conducted first follow-up visit September 16, 2008 to ensure compliance.

Deadline Date: 09/30/2008

Supplier CAP:

1. Set ventilator machine to properly work and workers now instructed to use this machine at time of using chemicals.
2. Conduct chemical safety training once a year to all levels of workers and orientation training to new joiners. Safety monitoring committee met at least once a month to go through this issue.

Supplier CAP Date: 09/30/2008

Action Taken: HBI follow-up visit September 16, 2008: Provided chemical protection masks to chemical operators and observed they were using those PPE during work.

HBI follow-up visit on 13 Nov 08 by internal auditor: They had installed ventilators and provided chemical protection masks to operators. They had chemical safety training for all workers on September 15, 2008. According to our on-site observation, chemical operators were using those PPE during work.

Plan Complete:

Plan Complete Date:

Hours of Work: Sick Leave

HOW.19 Employers shall provide workers with sick leave as required under local laws, regulations and procedures. (S)

Noncompliance

Explanation: When taking 2 or more sick days, workers must submit medical confirmation from doctor to prove their leave to get paid or otherwise investigation will be made. According to Thai labor law on sick leave policy, workers need to present doctor certificate if there are 3 or more sick days taken continuously.

Plan Of Action: HBI auditor will conduct follow-up visit in mid-November to ensure that factory has corrected this policy. Also, we will visit factory every 6 months to ensure ongoing compliance.

Deadline Date: 03/31/2008

Supplier CAP: Will request doctor certificate only from workers who take 3 days or more of sick leave off.

Supplier CAP Date: 09/30/2008



Action Taken: HBI auditor will follow up this issue next visit in first week of November. Will update this issue then.

HBI follow-up visit on November 13, 2008 by internal auditor: Factory management had a notification letter to inform all workers about factory sick leave regulations and arrange all supervisors/ HR staff to train factory regulations to ensure there was no misunderstanding on part of employees. Details of notification letter explained that workers needed to present doctor's certificate if they take 3 or more sick leave days continuously.

Plan Complete:

Plan Complete Date:
